

13 June 1979

MEMORANDUM FOR: Deputy Director of Central Intelligence
Legislative Counsel

FROM: Director of Central Intelligence

SUBJECT: OMB View re Death Gratuities

1. I had a phone call from Jim McIntyre, D/OMB, this morning. He said that he could not go along with us on death gratuities for anything but hostile action. He was going to approve it with the provision only for hostile acts. His argument, as I am sure you know, was strictly that other agencies would try to climb aboard and that this was not justified in the first place for State. He indicated Defense has already made noises in this direction.
2. He indicated he was considering trying to get this provision out of the State law. I pointed out to him this was largely a morale problem on our part. We were treated unequally in so many other respects within the Government and the public that it hurt when it was deliberate Government policy to discriminate against the CIA. I told him I would have to continue to fight this one unless he could assure me that they were going in for a withdrawal from the State Department at the same time they went in with the request for us on a hostile basis only.
3. He then also said he could not justify the retroactive feature. They would make it the day he sent the legislation forward, however.


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